

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF CALIFORNIA

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CONCRETE WASHOUT SYSTEMS,  
INC., a California  
corporation,

NO. CIV. S-04-1005 WBS DAD

Plaintiff,

v.

MEMORANDUM AND ORDER  
RE: MOTION FOR SUMMARY  
JUDGMENT

MINEGAR ENVIRONMENTAL SYSTEMS,  
INC., a California  
corporation, PETER J. MINEGAR,  
and DOES 1-10,

Defendants.

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Plaintiff Concrete Washout Systems, Inc. ("CWS") brings  
claims against defendants Minegar Environmental Systems, Inc.  
("MES") and Peter J. Minegar for (1) a declaratory judgment  
pursuant to 28 U.S.C. § 2201 (Declaratory Judgment Act) to the  
effect that CWS invented an invention disclosed in a patent  
application submitted by MES and that defendants have a duty to  
correct the Minegar patent application to list Jenkins as the  
inventor of the invention claimed in that application; (2)  
service mark and trade name infringement under 15 U.S.C. §

1 1125(a) (Lanham Act); and (3) several violations of California  
2 law.<sup>1</sup>

3 Jurisdiction is predicated upon 15 U.S.C. § 1125(a)  
4 (Lanham Act), 28 U.S.C. §§ 1331 (federal question) and 1338  
5 (claims arising under Act of Congress relating to patents), 28  
6 U.S.C. § 2201 (Declaratory Judgment Act), and 28 U.S.C. § 1367  
7 (supplemental jurisdiction). Defendants move for summary  
8 judgment on all plaintiff's claims pursuant to Federal Rule of  
9 Civil Procedure 56.

10 I. Factual and Procedural Background<sup>2</sup>

11 CWS is incorporated as "Concrete Washout Systems, Inc."  
12 (See Howard Reply Decl. Ex. H (Printout form California Business  
13 Portal)). CWS licenses concrete washout containers to licensees  
14 who in turn rent them to their contractor customers. (See Howard  
15 Decl. Ex. M (Pl.'s Response to Interrogs.) at 2). On or about  
16 February 7, 2003, Mark Jenkins, president and shareholder of CWS,  
17 filed a patent application for a concrete washout container.  
18 (Gibson Decl. Ex. B-1 (Jenkins Dep.) 47:3-8; Howard Decl. Ex. D  
19 (Jenkins Dep.) 25-9:16)). The invention is a system to collect

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21 <sup>1</sup> These claims include declaratory relief under state  
22 law, trade name infringement under California Business and  
23 Professions Code § 14415, misappropriation of trade secrets under  
24 California Civil Code § 3426.1(d), common law misappropriation,  
fraud, constructive fraud, breach of confidence, unjust  
enrichment, unfair competition under California Business and  
Professions Code § 17200, and false advertising under California  
Business and Professions Code § 17500.

25 <sup>2</sup> Both plaintiff and defendants have objected to evidence  
26 submitted in this matter. (See Pl.'s Mem. of P. & A. in Opp'n to  
27 Defs.' Mot. for Summ. J. at 13; Defs.'s Objection to CWS'  
28 Evidence in Opp'n to Defs.' Mot. for Summ. J.). These  
evidentiary objections have been mooted either by responsive  
authentication or by the court's determination that it need not  
rely on the evidence at issue.

1 concrete waste and residue water. (Gibson Decl. Ex. B-1 (Jenkins  
2 Dep.) Ex. 5 (patent application)). Thereafter, Jenkins assigned  
3 his patent application to CWS. (See Howard Decl. Ex. M (Pl.'s  
4 Response to Interroggs. at 2)).

5 Defendant Peter J. Minegar ("Mr. Minegar") has been a  
6 concrete contractor for over 25 years and owns Minegar  
7 Contracting, Inc. ("Minegar Contracting"). Minegar Contracting  
8 is a concrete contracting company which produces concrete floors  
9 and paving for commercial and industrial projects. Minegar  
10 Contracting's operations produce substantial amounts of concrete  
11 waste residue, commonly known as "concrete washout," that must be  
12 disposed of in accordance with state and federal regulations.  
13 (Minegar Decl. ¶¶ 1-2).

14 In June 2003, Minegar Contracting began designing a  
15 container dedicated to the collection and disposal of concrete  
16 washout waste. (Minegar Decl. ¶¶ 1-3). In June of 2003, Mr.  
17 Minegar engaged steel fabricator Serrano Motor Company  
18 ("Serrano") to manufacture a concrete washout container according  
19 to his specifications. (Id. ¶ 3). Thereafter, Mr. Minegar  
20 uncovered CWS' website on which it advertised its own concrete  
21 washout container. (Id. ¶ 4). As his interest piqued, Mr.  
22 Minegar met and spoke with representatives from CWS on or about  
23 July 25, 2003. (See Howard Decl. Ex. A (Minegar Dep.)  
24 (hereinafter "Minegar Dep.") 36:15-25). Mr. Minegar expressed an  
25 interest in becoming a CWS licensee and requested an opportunity  
26 to meet with CWS to discuss a business relationship. (Id.). Mr.  
27 Minegar was later shown one of CWS' containers on a job site.  
28 (Howard Decl. Ex. E (Neilsen Dep.) 13:12-23). Mr. Minegar then

1 began negotiations with Mr. Jenkins for a license fee for CWS'  
2 concrete washout container. (Minegar Dep. 41:3-42:2).

3 While negotiations were still pending, CWS sent Mr.  
4 Minegar a standard information packet that included a cash flow  
5 forecast. (Howard Decl. Ex. R (Information Packet) and R.1 (Cash  
6 Flow Forecast)). Roger Engelsgaard, a shareholder and officer of  
7 CWS, (Howard Decl. Ex. D (Jenkins Dep.) 7:25-9:16), sent Mr.  
8 Minegar a draft agreement on August 15, 2003. (Id. Ex. S (Draft  
9 Agreement). Mr. Minegar states that he was dissatisfied with the  
10 proposed terms. (See Minegar Dep. 79:9-21).

11 At the August 21, 2003 meeting, Kevin Mickelson  
12 (another shareholder and officer of CWS) and Mr. Engelsgaard took  
13 Mr. Minegar on a tour of CWS' operations and showed him the basic  
14 operations of CWS' concrete washout container. (Id. 55:11-57:13;  
15 Howard Decl. Ex. D (Jenkins Dep.) 7:25-9:16). Mr. Minegar also  
16 asked to see CWS' patent application so he could evaluate the  
17 value of the CWS container as a licensed product. (Minegar Dep.  
18 57:6-11). Instead, CWS chose to provide Mr. Minegar with a  
19 patentability opinion letter that its lawyer, John O'Banion, had  
20 prepared concerning the container. (Howard Decl. Ex. B  
21 (Mickelson Dep.) 66:11-14).

22 Thereafter, Mr. Minegar sent CWS a letter terminating  
23 negotiations on September 11, 2003. (Minegar Dep. 115:17-  
24 117:11). Mr. Minegar completed development of his own concrete  
25 washout container in late 2003, then began marketing the  
26 container through MES in early 2004. (See Howard Decl. Ex. X  
27 (Photograph of Minegar's Container)). Mr. Minegar then filed a  
28 patent application for his concrete washout container and

1 assigned the application to MES. (See Minegar Dep. 10:3-5).<sup>3</sup>  
2 CWS retained an expert who stated in a report that, in his  
3 opinion, most of the claims in Minegar's patent application are  
4 derivative of CWS' invention and that CWS is the proper inventor  
5 of most of the claims. (Maquire Decl. Ex. A (Rule 26 Report of  
6 Daniel P. Maguire dated May 10, 2005)).

7 A Stormwater Best Manual Practices ("BMP") Handbook  
8 dated January 2003 requires construction entities to label their  
9 disposal areas with the term "concrete washout." (Howard Decl.  
10 Ex. E (Storm Water Handbook)). Mr. Minegar states that  
11 defendants place the term "Concrete Washout Only" on their  
12 containers to provide notice as to the type of material that  
13 should be deposited in their containers. (Minegar Decl. ¶ 12).

14 Mr. Mickelson, CWS' vice president, has testified that  
15 CWS coined the phrase "concrete washout." (Gibson Decl. Ex. C-1  
16 (Mickelson Dep.) 141:12-21). CWS uses the term "concrete  
17 washout" on its website and its marketing materials to refer to  
18 concrete waste. (See Concrete Washout Systems, Inc., CWS  
19 Solutions and Benefits (July 6, 2005) available at  
20 http://www.concrete.com/pages/cws\_solutions/; see also Howard  
21 Decl. Ex. DD (CWS' Marketing Materials). Mr. Mickelson also  
22 testified that the term "concrete washout" is used as a label for  
23 "any sort of structure that is used to capture and contain  
24 concrete waste." (Howard Decl. Ex. B (Mickelson Dep.) 7:52-6;  
25 143:4-11). An Erosion Control Association News Letter published  
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27 <sup>3</sup> Defendants do not point to any evidence of the  
28 assignment to MES. However, CWS does not dispute that such an  
assignment occurred.

1 in 2002 refers to concrete waste as "concrete washout." (Howard  
2 Reply Decl. Ex. D (Erosion Control Association News Letter)).

3 On May 24, 2004, CWS filed this action against  
4 defendants. CWS amended its complaint on September 30, 2004.  
5 Defendants now move for summary judgment on all CWS' claims.

6 II. Discussion

7 The court must grant summary judgment to a moving party  
8 "if the pleadings, depositions, answers to interrogatories, and  
9 admissions on file, together with the affidavits, if any, show  
10 that there is no genuine issue as to any material fact and that  
11 the moving party is entitled to judgment as a matter of law."

12 Fed. R. Civ. P. 56(c). The party adverse to a motion for summary  
13 judgment may not simply deny generally the pleadings of the  
14 movant; the adverse party must designate "specific facts showing  
15 that there is a genuine issue for trial." Fed. R. Civ. P. 56(e);  
16 Celotex Corp. v. Catrett, 477 U.S. 317 (1986). Simply put, "a  
17 summary judgment motion cannot be defeated by relying solely on  
18 conclusory allegations unsupported by factual data." Taylor v.  
19 List, 880 F.2d 1040, 1045 (9th Cir. 1989). The nonmoving party  
20 must show more than a mere "metaphysical doubt" as to the  
21 material facts. Matsushita Elec. Indus. Co. v. Zenith Radio, 475  
22 U.S. 574, 587 (1986).

23 A. Declaratory Relief Under 28 U.S.C. § 2201

24 Pursuant to 28 U.S.C. §§ 1338 and 2201, and 35 U.S.C. §  
25 116, plaintiff seeks a declaratory judgment that (1) Jenkins is  
26 the inventor of the invention described in the Minegar patent  
27 application and (2) defendants have a duty to correct the Minegar  
28 patent application to list Jenkins as the inventor of the

1 invention claimed in that application. (See Pl.'s Mem. of P. &  
2 A. in Opp'n to Defs.' Mot. for Summ. J. at 11-12).<sup>4</sup> Defendants  
3 make two arguments in response. First, defendants contend that  
4 the court does not have subject matter jurisdiction to reach  
5 issues of inventorship. Second, defendants argue that, even if  
6 the court does have subject matter jurisdiction to reach issues  
7 of inventorship, the court should decline to exercise that  
8 jurisdiction, because such issues are best left for the Patent  
9 and Trademark Office to decide. Of defendants' arguments, only  
10 the latter prevails.

11 Several district courts, whose reasoning the court  
12 finds persuasive, have determined that federal courts have  
13 subject matter jurisdiction to resolve inventorship issues under  
14 28 U.S.C. § 1338(a).<sup>5</sup> See Post Performance, LLC v. Renaissance  
15 Imports, Inc., 333 F. Supp. 2d 834 (E.D. Mo. 2004); Murray v.  
16 Gemplus Int'l, S.A., 2002 U.S. Dist. LEXIS 22272 (E.D. Pa. Oct.  
17 29, 2002); Display Research Labs., Inc. v. Telegen Corp., 133 F.  
18 Supp. 2d 1170 (N.D. Cal. 2001); Mieling v. Norkar Techs., 176 F.

19  
20 <sup>4</sup> Plaintiff also seeks a declaratory judgment that  
21 defendants have a duty to assign to CWS the Minegar patent  
22 application and all rights associated with that application.  
23 However, plaintiff bases this claim for relief on state law.  
(Id.). Therefore, this claim will be addressed elsewhere.

24 <sup>5</sup> Defendants cite Eli Lilly & Co. v. Aragdigm Corp., 276  
25 F.3d 1352, 1356 n.1 (Fed. Cir. 2004) for the proposition that 35  
26 U.S.C. § 116 does not create a cause of action to modify  
27 inventorship on pending patent applications. (See Defs.' Mem. of  
28 P. & A. in Support of Defs.' Mot. for Summ. J. at 11). Eli Lilly  
does support this proposition. However, the case does not hold  
that courts lack subject matter jurisdiction over inventorship  
claims based on 28 U.S.C. § 1338(a). Because plaintiff brings  
this cause of action under 28 U.S.C. § 1338(a), Eli Lilly is  
inapposite.

1 Supp. 2d 817 (N.D. Ill. 2001); Heinken Tech. Servs. v. Darby, 103  
2 F. Supp.2d 476 (D. Mass. 2000); but see Sagoma Plastics, Inc. v.  
3 Gelardi, 366 F. Supp. 2d 185 (D. Me. 2005) (finding there would be  
4 no cause of action under § 116 on which to go forward even if  
5 subject matter jurisdiction were appropriate). Therefore, the  
6 court rejects defendants' first argument.

7           However, even where a court has subject matter  
8 jurisdiction to grant declaratory relief, it is well settled that  
9 the court has discretion to decline to exercise that  
10 jurisdiction. See Telegen, 133 F. Supp. 2d at 1175 (noting that  
11 "[t]he decision to grant declaratory relief is a matter of  
12 discretion, even when the court is presented with a justiciable  
13 controversy.") (citing A.L. Mecling Barge Lines, Inc. v. United  
14 States, 368 U.S. 324, 331 (1961) (additional citations omitted);  
15 Post Performance, 333 F. Supp. 2d at 840 (noting that court has  
16 discretion to decline to exercise jurisdiction where declaratory  
17 relief is requested).

18           It is thus not surprising that even some of the courts  
19 that have found subject matter jurisdiction over inventorship  
20 issues under 35 U.S.C. § 116, have declined to exercise that  
21 jurisdiction when requested to grant declaratory relief regarding  
22 such issues. See Telegen, 133 F. Supp. 2d 1170 (declining to  
23 exercise jurisdiction in part because PTO was better forum for  
24 resolving inventorship disputes); Mieling, 176 F. Supp. 2d at  
25 819-20 (holding that established procedures of the PTO were a more  
26 apt vehicle for determining the inventorship of the claims in the  
27 patent application).

28           Because the PTO has not yet had the opportunity to



1 reach the issues of inventorship disputed in this case, the court  
2 determines that it would be best to decline to exercise its  
3 jurisdiction over this claim. This decision comports with the  
4 text of the Patent Act which implicitly recognizes that the court  
5 is best advised to reach issues of inventorship after the PTO has  
6 reached them. Specifically, 35 U.S.C. § 116 makes it the  
7 prerogative of the Director of the PTO to correct errors in  
8 inventorship of pending patent applications.<sup>6</sup> In contrast, 35  
9 U.S.C. § 256 authorizes federal courts to adjudicate inventorship  
10 of a patent after the patent has issued.<sup>7</sup>

11 The statutory scheme seems to have been developed with  
12 the understanding that adjudicating claims over inventorship in  
13 patent applications would disrupt the patent application system.  
14 As defendants note in their reply, they are free to work through  
15 the regular patent process, amending their patent application to  
16 the extent necessary to avoid having it read on CWS' patent

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18 <sup>6</sup> Whenever through error a person is named in an  
19 application for patent as the inventor, or through  
20 error an inventor is not named in an application, and  
21 such error arose without any deceptive intention on his  
22 part, the Director [of the United States Patent and  
23 Trademark Office] may permit the application to be  
24 amended accordingly, under such terms he prescribes.

25 35 U.S.C. § 116(emphasis added).

26 <sup>7</sup> The error of omitting inventors or naming persons who  
27 are not inventors shall not invalidate the patent in  
28 which such error occurred if it can be corrected as  
provided in this section. The court before which such  
matter is called in question may order correction of  
the patent on notice of hearing of all parties  
concerned and the Director shall issue a certificate  
accordingly.

35 U.S.C. § 256(emphasis added).

1 application, or, perhaps, even abandoning it. (See Reply Brief  
 2 in Supp. of Defs.' Mot. for Summ. J. ("Reply Brief") at 7). If  
 3 defendants abandon their application or if the PTO denies it, the  
 4 inventorship issues at stake in this case may become moot. On  
 5 the other hand, should the PTO decide to grant defendants' patent  
 6 application, CWS can always bring a claim challenging the  
 7 inventorship of the patent under 35 U.S.C. § 256. CWS suffers  
 8 only delay from this court's decision to let the PTO patent  
 9 application review process run its natural course, whereas,  
 10 reaching the inventorship issues now would be a waste of judicial  
 11 resources. The court thus declines to exercise its discretion to  
 12 reach issues that may disappear on their own.

13 B. Service Mark and Trade Name Infringement Under 15  
 14 U.S.C. § 1125(a)

15 Plaintiff contends that defendants have infringed its  
 16 unregistered trademark and/or trade name, "Concrete Washout," in  
 17 violation of the Lanham Act.<sup>8</sup> (See Pl.'s Mem. & P. & A. in Opp'n  
 18

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19 <sup>8</sup> The relevant provision of the Lanham Act states that  
 20 Any person who, on or in connection with any goods or  
 21 services, or any container for goods, uses in commerce  
 22 any word, term, name, symbol, or device, or any  
 23 combination thereof, or any false designation of  
 24 origin, false or misleading description of fact, or  
 25 false or misleading representation of fact, which-  
 26 (A) is likely to cause confusion, or to cause  
 27 mistake, or to deceive as to the affiliation,  
 28 connection, or association of such person with  
 another person, or as to the origin, sponsorship,  
 or approval of his or her goods, services, or  
 commercial activities by another person, or  
 (B) in commercial advertising or promotion,  
 misrepresents the nature, characteristics,  
 qualities, or geographic origin of his or her or  
 another person's goods, services, or commercial  
 activities,

1 to Defs.' Mot. for Summ. J. at 25). Defendants argue that CWS'  
2 actual trademark and trade name are actually "Concrete Washout  
3 Systems, Inc." (See Howard Reply Decl. Ex. H (Printout form  
4 California Business Portal)). Defendants contend that this  
5 distinction is relevant because the more general term "Concrete  
6 Washout" is broader in scope than CWS' actual trademark/trade  
7 name. However, the court need not decide this issue because,  
8 even if CWS can claim the broader term "Concrete Washout" as its  
9 own, the term is generic and not protected by the Lanham Act.

10 Because the same standards apply to trademark and trade  
11 name infringement, and because courts, like the parties in this  
12 case, rarely distinguish between the two types of infringement,  
13 the court analyzes the two claims together. See Accuride Int'l,  
14 Inc. v. Accuride Corp., 871 F.2d 1531, 1534-35 (9th Cir. 1989)  
15 (noting the overlap between the types of infringement and the  
16 overlapping standard for determining both types of infringement).

17 Case law recognizes four different categories of terms  
18 with respect to trademark/trade name protection under the Lanham  
19 Act: (1) generic, (2) descriptive, (3) suggestive, and (4)  
20 arbitrary or fanciful. Filipino Yellow Pages, Inc. v. Asian  
21 Journal Publ'ns, Inc., 198 F.3d 1143, 1147 (9th Cir. 1999). The  
22 strength of a mark is determined by its placement on the  
23 continuum of marks from "generic," afforded no protection,  
24 through "descriptive" or "suggestive," given moderate protection,

25  
26 \_\_\_\_\_  
27 shall be liable in a civil action by any person who  
28 believes that he or she is or is likely to be damaged  
by such act.

15 U.S.C. § 1125(a) (emphasis added).

1 to "arbitrary" or "fanciful," awarded maximum protection.  
2 Ultrapure Sys. v. Ham-Let Group, 921 F. Supp. 659, 662 (N.D. Cal.  
3 1996). According to the Ninth Circuit, "[a] generic term is one  
4 that refers, or has come to be understood as referring, to the  
5 genus of which the particular product or service is a species.  
6 It cannot become a trademark [or trade name] under any  
7 circumstances." Filipino, 198 F.3d at 1147.

8           The evidence submitted establishes that "concrete  
9 washout" is not a trademark or trade name, but a generic term  
10 which refers to concrete waste residue, ordinarily consisting of  
11 a mixture of concrete and water. Even if CWS' contention that it  
12 initially coined the term is true (see Gibson Decl. Ex. C-1  
13 (Mickelson Dep.) 141:12-21), the evidence demonstrates that the  
14 term has become generally used.

15           CWS admits that Mickelson testified that other parties  
16 have used the words "concrete washout" in referring to concrete  
17 waste. (Pl.'s Mem. in Opp'n to Defs.' Mot. for Summ. J. at 23).  
18 CWS also uses the term "concrete washout" generically on its  
19 website and marketing materials to refer to concrete waste. (See  
20 Concrete Washout Systems, Inc., CWS Solutions and Benefits (July  
21 6, 2005) available at [http://www.concrete.com/pages/cws\\_](http://www.concrete.com/pages/cws_solutions/)  
22 [solutions/](http://www.concrete.com/pages/cws_solutions/)("We at CWS are committed to ensuring our product and  
23 services are the solution to the problems associated with  
24 concrete washout containment on jobsites.") (emphasis added); see  
25 also Howard Decl. Ex. DD (CWS' Marketing Materials)  
26 (referring to "concrete washout containment areas")). Defendants  
27 overstate the significance of CWS' use of the term "concrete  
28 washout" by claiming the use estops CWS from alleging trademark

1 or trade name infringement.<sup>9</sup> Nevertheless, the Ninth Circuit  
 2 has recognized that such use is "strong evidence" that the term  
 3 is generic. Self-Realization Fellowship Church v. Anada Church  
 4 of Self-Realization, 59 F.3d 902, 906-07 (9th Cir. 1995).  
 5 Defendants also point to an Internal Erosion Control Association  
 6 newsletter published in 2002 and published cases (with dates  
 7 prior to when Jenkins filed his patent application) which refer  
 8 to concrete waste as "concrete washout." (See Howard Reply  
 9 Decl., Exs. D (Erosion Control Association Newsletter) & E (Storm  
 10 Water Handbook)); see also Dietrich Int'l Truck Sales, Inc. v.  
 11 J.S. & J. Services, Inc., 3 Cal. App. 4th 1601, 1611 (1992)  
 12 (discussing "physical injury to the land itslef, such as . . .  
 13 the dumping of concrete washout."); Schweitzer Constr. v. Ohio  
 14 DOT, 62 Ohio Misc.2d 140, 145 (1990) ("ODOT took no samples of  
 15 this concrete washout."). Together, this evidence demonstrates  
 16 that "concrete washout" is a generic term used to refer to waste  
 17 material consisting of a mixture of concrete and water.

18 CWS attempts to split hairs by arguing that "concrete  
 19 washout" may be generic as applied to concrete waste but not as  
 20 applied to a concrete waste container. (See Pl.'s Mem. of P. &  
 21 A. in Opp'n to Defs.' Mot. for Summ. J. at 23). This artificial  
 22 distinction is unavailing. The evidence before the court also  
 23 establishes that "concrete washout," as used in reference to bins  
 24 used to store waste, is generic.

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25  
 26 <sup>9</sup> Defendants cite Bellsouth Corp. v. White Directory  
 27 Publishers, Inc., 42 F. Supp. 2d 598 n.5 (M.D.N.C. 1999) for the  
 28 proposition that CWS is estopped from alleging trademark  
 infringement. However, Bellsouth does not go so far. Rather, it  
 merely recognizes generic use as "strong evidence" of  
 genericness. Id.

1 Defendants point to the California Stormwater BMP  
2 Handbook dated January 2003, which requires construction entities  
3 to label their disposal areas with the term "concrete washout."  
4 (See Howard Decl. Ex. E (Storm Water Handbook)). Mr. Mickelson,  
5 CWS' vice president, even tacitly acknowledged that "concrete  
6 washout" as it relates to a container to store concrete washout  
7 is generic, when he testified that he has seen a "concrete  
8 washout" label applied to "any sort of structure that is used to  
9 capture and contain concrete waste." (Howard, Decl. Ex. B  
10 (Mickelson Dep.) 7:52-6; 143:4-11). This evidence alone is  
11 sufficient to grant summary judgment.

12 Additionally, the court applies the who-are-you/what-  
13 are-you test, established by the Ninth Circuit, which holds that  
14 "if the primary significance of the trademark is to describe the  
15 type of product, rather than the producer, the trademark [is] a  
16 generic term and [cannot be] a valid trademark." Filipino, 198  
17 F.3d at 1146. Applying this test here, there is sufficient  
18 evidence that the term "concrete washout" is associated with the  
19 type of product rather than the producer. A concrete washout  
20 container is simply that, a container in which to deposit  
21 concrete washout. The term says nothing about the product's  
22 producer. Because the term is generic, it cannot be protected.

23 This result is not altered by CWS' contention that the  
24 term "concrete washout" is somehow "suggestive" and thus entitled  
25 to protection under the Lanham Act. To determine whether a  
26 trademark is suggestive, a court looks at the imaginativeness  
27 involved in the suggestions (i.e. how immediate and direct is the  
28 thought process from the mark to the particular product.). Japan

1 Telecom, Inc. v. Japan Telecom Am., Inc., 287 F.3d 866, 873 (9th  
2 Cir. 2002). If the mental leap between the word and the  
3 product's attribute is not almost instantaneous, this strongly  
4 indicates suggestiveness. Id. "Concrete washout" is not an  
5 imaginative term. Again, it refers to a waste product. When  
6 associated with a container, the term suggests nothing other than  
7 that the container is a suitable place to dump the waste product.  
8 The term invokes no suggestion of anything more than a generic  
9 container for concrete washout disposal.

10 C. Remaining State-Law Claims

11 The court has supplemental jurisdiction over Valadez's  
12 state-law claims pursuant to 28 U.S.C. § 1367(a). Under 28  
13 U.S.C. § 1367(c)(3), a district court may decline to exercise  
14 supplemental jurisdiction over state law claims where the court  
15 has dismissed all claims over which it has original jurisdiction.  
16 Voigt v. Savell, 70 F.3d 1552, 1565 (9th Cir. 1995). "In the  
17 usual case in which all federal-law claims are eliminated before  
18 trial, the balance of factors to be considered under the pendent  
19 jurisdiction doctrine - judicial economy, convenience, fairness,  
20 and comity - will point toward declining to exercise jurisdiction  
21 over the remaining state-law claims." Carnegie-Mellon Univ. v.  
22 Cohill, 484 U.S. 343, 350 n.7 (1988). The balance of factors  
23 indicates that a case properly belongs in state court when the  
24 federal-law claims have dropped out of the lawsuit in its early  
25 stages and only state-law claims remain. Id.

26 Here, CWS' federal claims will all be dismissed prior  
27 to trial. Because the court was able to decide CWS' federal  
28 claims without reaching the great majority of issues underlying

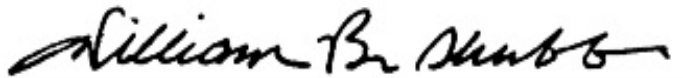
1 CWS' state-law claims remaining in this case, the court will  
2 decline to exercise supplemental jurisdiction over the state-law  
3 claims pursuant to 28 U.S.C. § 1367(c)(3).

4 IT IS THEREFORE ORDERED that:

5 (1) defendants' motion for summary judgment as to  
6 plaintiff's claims for declaratory relief pursuant to 28 U.S.C. §  
7 2201 and for service mark and trade name infringement under 15  
8 U.S.C. § 1125(a) be, and the same hereby is, GRANTED; and

9 (2) plaintiff's remaining state-law claims be, and the  
10 same hereby are, DISMISSED pursuant to 28 U.S.C. § 1367(c)(3).

11 DATED: July 12, 2005

12  
13 

14 WILLIAM B. SHUBB  
15 UNITED STATES DISTRICT JUDGE  
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